



# UNITED STATES PATENT AND TRADEMARK OFFICE

UNITED STATES DEPARTMENT OF COMMERCE  
United States Patent and Trademark Office  
Address: COMMISSIONER FOR PATENTS  
P.O. Box 1450  
Alexandria, Virginia 22313-1450  
www.uspto.gov

APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
09/862,950	05/22/2001	Joseph Nicholas Del Vecchio		9750

7590 05/23/2006

John M. Del Vecchio  
7016 Milestrip Road  
Orchard Park, NY 14127

EXAMINER
----------

BROOKS, MATTHEW L

ART UNIT	PAPER NUMBER
----------	--------------

3629

DATE MAILED: 05/23/2006

Please find below and/or attached an Office communication concerning this application or proceeding.

<b>Office Action Summary</b>	<b>Application No.</b> 09/862,950	<b>Applicant(s)</b> DEL VECCHIO ET AL.	
	<b>Examiner</b> Matthew L. Brooks	<b>Art Unit</b> 3629	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

#### Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE 3 MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.

- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

#### Status

- 1) ☒ Responsive to communication(s) filed on 23 February 2006.
- 2a) ☒ This action is **FINAL**. 2b) ☐ This action is non-final.
- 3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

#### Disposition of Claims

- 4) ☒ Claim(s) 1-69 is/are pending in the application.
- 4a) Of the above claim(s) \_\_\_\_\_ is/are withdrawn from consideration.
- 5) ☐ Claim(s) \_\_\_\_\_ is/are allowed.
- 6) ☒ Claim(s) 1-69 is/are rejected.
- 7) ☐ Claim(s) \_\_\_\_\_ is/are objected to.
- 8) ☐ Claim(s) \_\_\_\_\_ are subject to restriction and/or election requirement.

#### Application Papers

- 9) ☐ The specification is objected to by the Examiner.
- 10) ☐ The drawing(s) filed on \_\_\_\_\_ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.  
Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).  
Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).
- 11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

#### Priority under 35 U.S.C. § 119

- 12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).
- a) ☐ All b) ☐ Some \* c) ☐ None of:
1. ☐ Certified copies of the priority documents have been received.
2. ☐ Certified copies of the priority documents have been received in Application No. \_\_\_\_\_.
3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).
- \* See the attached detailed Office action for a list of the certified copies not received.

#### Attachment(s)

- 1) ☒ Notice of References Cited (PTO-892)
- 2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)
- 3) ☐ Information Disclosure Statement(s) (PTO-1449 or PTO/SB/08)  
Paper No(s)/Mail Date \_\_\_\_\_.
- 4) ☐ Interview Summary (PTO-413)  
Paper No(s)/Mail Date: \_\_\_\_\_.
- 5) ☐ Notice of Informal Patent Application (PTO-152)
- 6) ☐ Other: \_\_\_\_\_.

## DETAILED ACTION

### *Drawings*

1. The replacement drawings are accepted. The objection is withdrawn.

### *Claim Objections*

2. The objections to **Claims 8-11** due to amendments made are withdrawn.

### *Claim Rejections - 35 USC § 112 1st*

3. The following is a quotation of the first paragraph of 35 U.S.C. 112:

The specification shall contain a written description of the invention, and of the manner and process of making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the art to which it pertains, or with which it is most nearly connected, to make and use the same and shall set forth the best mode contemplated by the inventor of carrying out his invention.

4. **Claims 1-69** are rejected under 35 U.S.C. 112, first paragraph, as based on a disclosure which is not enabling. Many features, the details of which described below, critical or essential to the practice of the invention, but not included in the claim(s) is not enabled by the disclosure. See *In re Mayhew*, 527 F.2d 1229, 188 USPQ 356 (CCPA 1976).

5. With respect to **Claims 1-6**:

The Applicants method of assessing intellectual property could only work in regards to PATENT/s and not all of the other types of intellectual property listed because applicant has not enabled it to work for anything but a patent or patents. And for the Examiner to apply most limitations of the invention to an application or design patent would be impossible.

As to claim 4, "sensitivity analysis" Examiner cannot determine what this is from Applicant's specification. For instance no indication is made of what "relevant factors" comprises (page 12, 25-30).

As to claim 5, "peer group analysis" Examiner cannot determine what this is from Applicant's specification (page 12, 1-25). Applicant state (pg 12, line 15) similar to the one described above. When Examiner looks above nothing has been described.

As to claim 6 "competitive analysis" Examiner cannot determine what this is from Applicant's specification (page 13, 5-20). Examiner cannot determine for instance what "expected market trends" would comprise.

6. With respect to **Claim 6**:

Applicant uses the term market data but never states what this is nor how to determine. Undue experimentation. Furthermore Applicant says specifically in specification the present invention avoids market trends (bottom of page 6 and top of 7) then attempts to include market trend factors into the assessment process.

7. With respect to **Claims 8-11**

The old rationale is withdrawn but it depends upon claim 1 is still maintained.

8. With respect to **Claims 28 and 29 and 57**:

Applicant has failed to list the details of and enable the invention in regard to the proposed Modification Factor (MF).

$$\text{Modification Factor} = \sum_{i=1}^k (\alpha_i)(X_i)$$

Several Problems arise with the proposed formula and the application thereof. For instance (alpha) is a weighting coefficient determined by the *type of industry, level of*

Art Unit: 3629

*technology*, and *business activities* of the insured party. The above is given emphasis because when Examiner turns to page 24, 5-10 of Applicant's Specification there is no way to determine or assign numerical values to something as vague as business activities. Furthermore to do so would require undue experimentation of the behalf of the Examiner.

Another Problem with the proposed formula is (X), which is defined by Applicant as a "patent factor selected from the group of ..." However, Applicant fails to state how the factors are chosen and how they interact to come up with a value for X. For Examiner to figure this out would require undue experimentation.

9. With respect to **Claim 37-40 and 60-62:**

Applicant has failed to list the details of and enable the invention in regard to the Proposed Overall Adjusted Claim Ratio Index (CRI).

$$\text{Overall Adjusted CRI}_n = \mu_n^\psi \Phi_n^\gamma \text{CRI}_{\text{claims } n}$$

Several problems exist here:

A. 
$$\mu_n = \frac{(\text{total number of structural limitations in the claims})}{(\text{total number of structural and functional limitations in the claims})};$$

Applicant fails to address in the specification the problem that will arise if a method claim is being Adjusted. Which will result in the (U) to have a value of zero, thus making the Overall Adjusted CRI (OACRI) have a value of zero.

B. Problems With  $\psi$

Art Unit: 3629

$\phi$  is a weighting exponent that is adjusted based on the particulars of the patent or patent portfolio under study and used to adjust the value of  $\mu_n$ ;

Applicant never addresses what the particulars are nor is there even a mention at how to arrive at a value of the particulars. To figure this out would be completely burdensome on Examiner, and require extensive experimentation.

C. 
$$\Phi_n = \frac{(\text{total number of words in amended claims}) \times (\text{number of amendments filed})^\lambda}{(\text{total number of words in unamended claims})}$$

where  $\lambda$  is a weighting exponent that is adjusted based on the particulars of the patent or patent portfolio under study;

With respect to  $\lambda$  there is no mention of the particulars or how to adjust and apply and to do so would require undue experimentation by the Examiner.

D.

$\gamma$  is a weighting exponent that is adjusted based on the particulars of the patent or patent portfolio under study and used to adjust the value of  $\Phi_n$ ;  
and

Problems with  $\gamma$  arise in that there is no mention of what particulars are and how they interact, adjust, and assigned value. Undue Experimentation.

10. With respect to **Claim 42-48 and 60-69**:

Applicant never says how to calculate Patent Strength because Applicant never

Art Unit: 3629

describes how one goes about determining "Claim Strength". Applicant merely lists calculations at random telling Examiner its calculated and adjusted from group comprising and never bothers to state what of the group is calculated and what is adjusted and how to do the above. This would require undue experimentation. The exact same analysis applies to "Market Strength", but the case is even stronger because to determine this involves "other factors".

Furthermore with special attention paid to Claim 45 in which patent strength is compared to research and development expenditures, Patent Strength values for members of the company's peer group, earnings per share data, stock price, P/E ratio data, Return on Asset data and Return on Investment data; Applicant makes no attempt to show how PS is compared and what numbers would even mean with in the specification.

Even in **Claims 1 and 48** as to the generation of the report Examiner is unsure what is eventually event on this report and is certain that if attempted (by one of ordinary skill) would lead to a different result every time (this argument is also laid out in 101 "useful, concrete, tangible" below).

### ***Claim Rejections - 35 USC § 112 2<sup>nd</sup>***

11. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

Art Unit: 3629

12. **Claims 8, 12, 22, 23, 24, 25, 26, 27, 28, 29-47** recites the limitation "a company".

There now is sufficient antecedent basis for this limitation in the claim. Thus the rejection for those grounds is withdrawn.

13. **Claims 29 and 42-44 and 69** recites the limitation "CRI and Patent Strength".

There is insufficient antecedent basis for this limitation in the claim.

***Claim Rejections - 35 USC § 101***

14. 35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

**Claims 1-69** are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter.

The basis of this rejection is set forth in a two-prong test of:

(1) whether the invention produces a useful, concrete, and tangible result.

For a claimed invention to be statutory, the claimed invention must now no longer be within the **technological arts**. (**Claims 1-40 and 42-47**). Thus the previous

"technological arts" rejection is withdrawn. However the application still fails prongs of the remaining tests.

The present invention also fails the "**useful, concrete, tangible**" result test.

For an invention to be "**useful**" it must satisfy the utility requirement of section 101. The PTO's official interpretation of the utility requirement provides that the utility of an invention has to be (i) specific, (ii) substantial and (iii) **credible**. MPEP 2107. In addition, when the examiner has reason to believe that the claim is not for a practical application that produces a useful result, the claim should be rejected, thus requiring the



Art Unit: 3629

applicant to distinguish the claim from the three exceptions to patentable subject matter by specifically reciting in the claim the practical application. In such cases, statements in the specification describing a practical application may not be sufficient to satisfy the requirements for section 101 with respect to the claimed invention. Likewise, **a claim that can be read so broadly as to include statutory and nonstatutory subject matter must be amended to limit the claim to a practical application.** In other words, if the specification discloses a practical application of an abstract idea, but the claim is broader than the disclosure such that it recites an abstraction, then the claim must be rejected. The present invention fails the utility requirement in that it is not credible. Even if all of the steps are carried out there are too many non-consistent invariables to believe that the value determined by the invention is a true value of a patent and/or portfolio.

The present Application is not patentable subject matter, because it does not produce a **“useful, concrete, or tangible”** result. The Examiner herein now lays out examples of why the application lacks credibility starting first with the Claims Ration Index (CRI) (claims 30-40 and 57-63). Applicant states a CRI is simply (number of words in the claims) over (total number of claims) and as a general principle the more words to a patent claim the higher the CRI value which corresponds to a lower commercial value for the patent (Specification 25, 17-28).

If for instance the examiner were to apply the CRI to Applicant's Application with approx. 3,800 words and a CRI value of approx. 55.1, Applicant's intended future patent will have a very low commercial value. The value of a patent is determined by much

Art Unit: 3629

more than this and this is one reason why invention is non-credible to Examiner and likely even the Applicant would not find the "reports results" credible because of the low value indicated, although interesting. The same could be said of the concepts of PY, AT, modification factor, PS, and FPP.

Another consideration is whether the invention produces a "**concrete**" result. Usually, this question arises when a result cannot be assured. In other words, the process must have a result that can be substantially repeatable or the process must substantially produce the same result again. In re Swartz, 232 F.3d 862, 864 (Fed. Cir. 2000) (where asserted result produced by the claimed invention is "irreproducible" claim should be rejected under section 101). The opposite of "concrete" is unrepeatable or **unpredictable**. Resolving this question is dependent on the level of skill in the art. For example, if the claimed invention is for a process which requires a particular skill, to determine whether that process is substantially repeatable will necessarily require a determination of the level of skill of the ordinary artisan in that field. An appropriate rejection under 35 U.S.C. § 101 should be accompanied by a lack of enablement rejection under **35 U.S.C. § 112, paragraph 1, because the invention cannot operate as intended without undue experimentation**. *See infra*.

After the examiner identifies and explains in the record the basis for why a claim is for an abstract idea with no practical application, then the burden shifts to the applicant to either amend the claim or make a showing of why the claim is eligible for patent protection. See, e.g., Brana, 51 F.3d at 1566, 34 USPQ2d at 1441; see generally MPEP 2107 (Utility Guidelines). In addition, if an application is rejected under

section 101 because there is reason to doubt the asserted utility, then the examiner should also reject the claims for lack of enablement, because a person skilled in the art cannot practice the invention. In re Swartz, 232 F.3d 862, 863 (Fed. Cir. 2000).

In the present case Applicant's invention is unpredictable. No body can truly predict what will happen with all info gathered and combined and/or what factors or business activities (ie; claim 29) will be used depending upon which expert is evaluating the case. Furtherstill the Examiner would not be able to repeat all of the limitations where a combination of factors are left up to the decision of a user. Examples include when a calculation of the "Modification Factor" is made a user in chosing a value of "k" can choose any and or different "patent factors". Also, in determining a "OA CRI" there is a big debate on the subjective interpretation of what is a "structural" versus "functional" limitation. More so, "Market Strength" which applicant states is "*calculated and adjusted using at least one of the following*" selected from the group consisting of: ...". Yet Applicant still teaches no way and or in what situations to calculate or adjust; and further does not teach when to use what from the aforementioned group. Thus leaving in the hands of a user/Examiner the determination of "Market Value" and thus is very subjective and will not produce a concrete result or practical application as laid out by sections 101 and 112 1<sup>st</sup>.

### ***Claim Rejections - 35 USC § 102***

15. The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that form the basis for the rejections under this section made in this Office action:

A person shall be entitled to a patent unless –

(a) the invention was known or used by others in this country, or patented or described in a printed publication in this or a foreign country, before the invention thereof by the applicant for a patent.

16. Claims 1, 48, and 68 are rejected under 35 U.S.C. 102(a) as being clearly anticipated by [www.micronomics.com](http://www.micronomics.com) (Micronomics).

17. With respect to **Claims 1-7, 48-52, and 68**: Micronomics discloses

A system and method for assessing intellectual property comprising: gathering intellectual property data (page 1 "collection"); performing an assessment of the intellectual property data (page 3); and generating a report based on the assessment of the intellectual property data (page 4).

### ***Claim Rejections - 35 USC § 103***

18. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

19. The factual inquiries set forth in *Graham v. John Deere Co.*, 383 U.S. 1, 148 USPQ 459 (1966), that are applied for establishing a background for determining obviousness under 35 U.S.C. 103(a) are summarized as follows:

1. Determining the scope and contents of the prior art.
2. Ascertaining the differences between the prior art and the claims at issue.
3. Resolving the level of ordinary skill in the pertinent art.
4. Considering objective evidence present in the application indicating obviousness or nonobviousness.

20. **Claims 1-69** are rejected under 35 U.S.C. 103(a) as being unpatentable over Micronomics in view of Official Notice.

Micronomics shows a system and method for assessing intellectual property comprising: gathering intellectual property data (page 1 "collection"); performing an assessment of the intellectual property data (page 3); and generating a report based on the assessment of the intellectual property data (page 4).

Furthermore Micronomics shows valuations of IP based upon relevant issues, analytical and empirical models. Shows the method and system of assessing each company's patent portfolio, size and strength of individual patents, anticipated rate of growth, product sales based upon patented technology, and comparisons to other (competitor) companies using databases pertaining to intellectual property assets (pages 5-6). Micronomics also teaches (in relation to modification factor) evaluating risk by applying a variety of financial and statistical techniques (page 6).

Furthermore still Micronomics teaches many issues that are of concern when evaluating patent portfolios including: the relative size of portfolio, speed with which it is growing, the quality of the portfolio (similar to CRI), comparison to R and D costs of obtaining patent, accessing a patent data base and determining patent numbers issues to a certain company with in a class, valuation of patents into groups, a comparison of patent value over time, and the use of "hedonic pricing models" to estimate the value of various characteristics and particular factors (pages 11-15).

Micronomics teaches all of the elements claimed with the exception of the actual formulas used to carry out the assessment made.

In determining the obviousness of applying what is generally known in the IP Evaluation Industry to what is known in the world of Math/Accounting one must determine the level of ordinary skill (Dann v. Johnston, 425 U.S. 219, 189 USPQ 257 (1976)). Math/Accounting, to one ordinarily skilled in the art, for some time now is recognized as a vehicle in which value is calculated. The use of such for valuating assets and risk is widely known through the use of many techniques. Also, the IP Evaluation industry has utilized formulas for years to keep track of accounts evaluate IP and present this data to their customers through presentations and reports via mail , internet or other forms.

The examiner takes Official Notice that one would have to use the exact same formulas used. NOTE that although the person performing the assessment may not even realize that while they are performing the qualitative calculations, they are also inherently performing the quantitative calculations. Evidence of this is provided by the following example of one of ordinary skill determining a patent value of a patent issued and filed as of 1/1/2000, and the risk of insuring it.

If one of ordinary skill is evaluating a patent the first thing they would do is to see how much time remains on the patent (AT and PY) by looking at the filing date. In simply thinking this thought and then realizing there was only 14 years left the evaluator would have come up with the Future Patent Power, although it may not have been expressed (written or orally). Next in determining value one of ordinary skill would look to the claims. If one of ordinary skill saw relatively few claims of few words the artisan would realize the patent claims are broad and may correlate to a broader scope and

Art Unit: 3629

thus a greater commercial value (CRI). Next with or without necessarily the use of an actual formula the skilled artisan would have to consider the strength of the claims the surrounding competitor's in the market and what the patent protection affords due to market conditions (Patent Strength). Next in deciding whether or not to ensure the person of ordinary skill would have to consider the market, type of business activities and products produced by a business, and level of technology in the field/class in relation to the details of the patent (Modification Factor). It would have been obvious to one of ordinary skill in the art at the time of the invention to include the formulas in the system of Macronomics because the formulae would put a numerical value on the price of a patent which is easier for a client requesting a report to understand. The use and advantages of this step are well known.

### ***Response to Arguments***

21. Applicant's arguments filed 2/13/06 have been fully considered but they are not persuasive.
22. In response to pg 25, #'s 6 and 7 Examiner has withdrawn the objections and thus 6 and 7 are now moot.
23. In response to pg 25, #8, first P and second P, Applicant has failed to amend the claims properly, because not only patents are assessed. Rather applications and design patents are assessed. The invention would not work for applications in that the invention does not take into consideration whether or not the application will ever be allowed and thus would not work and thus would not be enabled. Also, it does not take into account that design patents only have one claim and they would likely show an

Art Unit: 3629

unbelievable CRI value and other improper values; further because they have a shorter patent term they would likely influence the overall patent portfolio in patent years and future patent power and the invention has not explained or enabled the invention to take this into account.

With respect to second Paragraph the *rejection* stands, Examiner still does not know what a “competitive analysis” is and for Examiner to perform one would require undue Experimentation.

24. With respect to the rejection of 8-11 the particular analysis directed towards the claims has been withdrawn, but because they depend from claim 1 are still rejected.

**NOTE: The Applicant’s argument is flawed and the words “if desired” adds directly to the 101 argument above.**

25. In response to pg 26, 1<sup>st</sup> full P, Applicant is seriously mistaken in asserting that “undue experimentation” is not a proper legal standard to deny patentability. Applicant was given the legal authority as being a 112 1<sup>st</sup> rejection. Further Applicant is advised to see MPEP 2164.01 Test of Enablement. Any analysis of whether a particular claim is supported by the disclosure in an application requires a determination of whether that disclosure, when filed, contained sufficient information regarding the subject matter of the claims as to enable one skilled in the pertinent art to make and use the claimed invention. The standard for determining whether the specification meets the enablement requirement was cast in the Supreme Court decision of *Mineral Separation v. Hyde*, 242 U.S. 261, 270 (1916) which postured the question: is the experimentation needed to practice the invention undue or unreasonable? That standard is still the one



Art Unit: 3629

to be applied. In re Wands, 858 F.2d 731, 737, 8 USPQ2d 1400, 1404 (Fed. Cir. 1988). Accordingly, even though the statute does not use the term "undue experimentation," it has been interpreted to require that the claimed invention be enabled so that any person skilled in the art can make and use the invention without undue experimentation. In re Wands, 858 F.2d at 737, 8 USPQ2d at 1404 (Fed. Cir. 1988). See also United States v. Teletronics, Inc., 857 F.2d 778, 785, 8 USPQ2d 1217, 1223 (Fed. Cir. 1988) ("The test of enablement is whether one reasonably skilled in the art could make or use the invention from the disclosures in the patent coupled with information known in the art without undue experimentation."). A patent need not teach, and preferably omits, what is well known in the art. In re Buchner, 929 F.2d 660, 661, 18 USPQ2d 1331, 1332 (Fed. Cir. 1991); Hybritech, Inc. v. Monoclonal Antibodies, Inc., 802 F.2d 1367, 1384, 231 USPQ 81, 94 (Fed. Cir. 1986), cert. denied, 480 U.S. 947 (1987); and Lindemann Maschinenfabrik GMBH v. American Hoist & Derrick Co., 730 F.2d 1452, 1463, 221 USPQ 481, 489 (Fed. Cir. 1984). Determining enablement is a question of law based on underlying factual findings. In re Vaeck, 947 F.2d 488, 495, 20 USPQ2d 1438, 1444 (Fed. Cir. 1991); Atlas Powder Co. v. E.I. du Pont de Nemours & Co., 750 F.2d 1569, 1576, 224 USPQ 409, 413 (Fed. Cir. 1984).

#### UNDUE EXPERIMENTATION

The fact that experimentation may be complex does not necessarily make it undue, if the art typically engages in such experimentation. In re Certain Limited-Charge Cell Culture Microcarriers, 221 USPQ 1165, 1174 (Int'l Trade Comm'n 1983), *aff'd*. sub nom., Massachusetts Institute of Technology v. A.B. Fortia, 774 F.2d 1104, 227

Art Unit: 3629

USPQ 428 (Fed. Cir. 1985). See also *In re Wands*, 858 F.2d at 737, 8 USPQ2d at 1404.

The test of enablement is not whether any experimentation is necessary, but whether, if experimentation is necessary, it is undue. *In re Angstadt*, 537 F.2d 498, 504, 190 USPQ 214, 219 (CCPA 1976). 2164.01(a) Undue Experimentation Factors There are many factors to be considered when determining whether there is sufficient evidence to support a determination that a disclosure does not satisfy the enablement requirement and whether any necessary experimentation is "undue." These factors

include, but are not limited to:

- (A) The breadth of the claims;
- (B) The nature of the invention;
- (C) The state of the prior art;
- (D) The level of one of ordinary skill;
- (E) The level of predictability in the art;
- (F) The amount of direction provided by the inventor;
- (G) The existence of working examples; and
- (H) The quantity of experimentation needed to make or use the invention based on the content of the disclosure.

*In re Wands*, 858 F.2d 731, 737, 8 USPQ2d 1400, 1404 (Fed. Cir. 1988) (reversing the PTO's determination that claims directed to methods for detection of hepatitis B surface antigens did not satisfy the enablement requirement). In *Wands*, the court noted that there was no disagreement as to the facts, but merely a disagreement as to the interpretation of the data and the conclusion to be made from the facts. In *re*

Art Unit: 3629

Wands, 858 F.2d at 736-40, 8 USPQ2d at 1403-07. The Court held that the specification was enabling with respect to the claims at issue and found that "there was considerable direction and guidance" in the specification; there was "a high level of skill in the art at the time the application was filed;" and "all of the methods needed to practice the invention were well known." 858 F.2d at 740, 8 USPQ2d at 1406. After considering all the factors related to the enablement issue, the court concluded that "it would not require undue experimentation to obtain antibodies needed to practice the claimed invention." *Id.*, 8 USPQ2d at 1407. It is improper to conclude that a disclosure is not enabling based on an analysis of only one of the above factors while ignoring one or more of the others. The examiner's analysis must consider all the evidence related to each of these factors, and any conclusion of nonenablement must be based on the evidence as a whole. 858 F.2d at 737, 740, 8 USPQ2d at 1404, 1407.

A conclusion of lack of enablement means that, based on the evidence regarding each of the above factors, the specification, at the time the application was filed, would not have taught one skilled in the art how to make and/or use the full scope of the claimed invention without undue experimentation. In *re Wright*, 999 F.2d 1557, 1562, 27 USPQ2d 1510, 1513 (Fed. Cir. 1993). The determination that "undue experimentation" would have been needed to make and use the claimed invention is not a single, simple factual determination. Rather, it is a conclusion reached by weighing all the above noted factual considerations. In *re Wands*, 858 F.2d at 737, 8 USPQ2d at 1404. These factual considerations are discussed more fully in MPEP § 2164.08 (scope or breadth of the claims), § 2164.05(a) (nature of the invention and state of the prior art), § 2164.05(b)

(level of one of ordinary skill), §2164.03 (level of predictability in the art and amount of direction provided by the inventor), § 2164.02 (the existence of working examples) and § 2164.06 (quantity of experimentation needed to make or use the invention based on the content of the disclosure).

Applicant questioned the legal standard rather than properly traverse the rejection. Further the one argument Applicant asserted is misguided in that it states one of ordinary skill in the art would understand what some of the terms mean. Understanding the meaning of the terms is not the problem, rather it is what calculation to make when and what factors one would chose to apply that would require undue experimentation and more so would lead to a different result everytime depending upon user.

Thus when Applicant states in the bottom 3<sup>rd</sup> of the P, that "Applicants believe the claim itself, which reads "is a patent factor for the insured party selected from the group consisting of: ..." Applicant provides no teaching of when or what to select from the group and again due to the factors noted above would require undue experimentation on the part of the Examiner and further is not predictable, repeatable, or concrete. (see above.)

Again, Applicants do not properly traverse the rejection, rather argues the standard applied was not correct when it clearly was.

26. With respect to pg 27, top of the pg: Applicant argues that this is merely another consideration of the claimed invention, however this is not a traversal of the argument

Art Unit: 3629

rather it is just a statement and does not provide a rationale as to how the Examiner or a user would know what "particulars" the weighting exponent is based on.

27. With respect to the Gamma on the bottom of pg 27, Applicant states that the "component is easily used by substituting a value for this symbol." This may be true, easily used by substituting a value, however, again Examiner cannot determine a value without undue experimentation.

28. In response to first full P of pg 28, Applicant is advised to see the write up regarding "patent strength" which Examiner notes patent strength is "(claim strength) x (market demand). Claim strength is calculated then lists a bunch of considerations to adjust however never teaches one how to calculate, nor arrive to a numerical value.

Further still the group Applicant directs a user to select from has many of its own problems. Such as laid out above and below. Also note: how could some of those be factors when not even calculated yet? In that this claim depends from claim 7; a user cannot use factors such as Average Patent Term, Patent Years, CRI if not yet calculated.

Further still Examiner cannot determine how a percentage of lapsed patents in a Companies portfolio relates to a separate patent claim's strength and/or how one would calculate this in.

29. In response to Pg 29, middle of pg, first P; Examiner did not reject under 112 2<sup>nd</sup> in that the Examiner did not know what the claim meant. Rather Examiner rejected the claim under 112 1<sup>st</sup> in that it was not enabled.

Art Unit: 3629

30. In response to the last P on pg 29, that with respect to patent strength; rather than argue that how to make comparisons and the invention is enabled, Applicant asserts that **"Those having ordinary skill in the art will immediately recognize the great value associated with the claimed comparisons"**, because a well-reasoned and useful decisions can be made based on the patent strength values generated by the claimed invention." Essentially admitting the 103 made is proper. Because this is exactly what the official notice was taken on, that one of ordinary skill in the art would have to do all of the steps in the application to arrive to an estimated value of a patent. Therefore certainly the obviousness of Claims 42-47 and the others relating to patent strength are and will be maintained. (see 103 above and arguments below for support)

31. In response to pg 30 2<sup>nd</sup> sentence of #7; the 112 2<sup>nd</sup> rejection was pulled.

32. In response to pg 30, 3<sup>rd</sup> sentence of #30 the rejection is maintained, because how could one consider CRI, etc if not yet calculated.

33. In response to pg 30, #9; the technological arts rejection is no longer maintained by the Office and thus the P bridging pg 30 and 2<sup>nd</sup> full P of 31 is moot, and that rejection had been withdrawn. (see above)

34. In response to 2<sup>nd</sup> full P, pg 31; NOTE: the Lundgren case does not affect the "useful, concrete, tangible" analysis.

35. In response to pg 31, last P; Applicant is first advised to see the 101 and 112 1<sup>st</sup> rejection maintained, but more explanation/response to argument is provided below.

The fact that Applicant has responded and is pursuing Application is in direct

contrast to Applicant's assertion that a CRI value would correspond to a credible commercial value. Because the CRI performed on Applicant's invention should have led Applicant to believe that *if* a patent was granted it would be worth very little NOTE: this also is support as to why the invention would not work for "applications" (see above). Furthermore Applicant's argument found on pg 31 that Examiner was able to assess a value of the patent is not true. In direct contrast Examiner was only able to assess a CRI value, NOT AN ACTUAL VALUE. This lends directly to the utility 101 argument above. Applicant has not taught hoe to convert the CRI value into an actual approximate dollar amount, considering other factors. For instance Examiner has not clue what a CRI value of 55.1 would be worth in actual dollars.

In response to top of page 32 that the result is predictable and can be repeatably achieved is flawed because it is not in determining the CRI where the concreteness is the problem, which is merely a quantitative calculation of (number of words in the claims)/ (total number of claims). This is more a credibility issue, see above. The problem in concreteness arises in, for instance, determining an Overall CRI where random "particulars" are considered or when a subjective determination of what constitutes a structural limitation versus a functional limitation is made. OR when "claim strength" is being considered and a user would have no sound basis as to which factors to chose. The other problems with concreteness are laid out above.

36. In response to #10, pg 32; Applicants assert that it is possible authors of the web page reviewed Applicant's published Application and changed content of the web site. Examiner submits that this is notion is impossible. The prior art made of record is print

Art Unit: 3629

out of a web page received from [www.archive.org](http://www.archive.org) or what is known as the "wayback machine". The wayback machine started a project in the late 1990's that sent a spider out on the web that captured images of web sites as posted on certain dates and placed in chronological order on the site; the captured images are not changeable nor does archive.org have any motivation to attempt to do so.

The web pages will not be withdrawn as a 102 reference. In response to pg 33 Examiner submits the search results from the archive.org search; which verifies the date web pages on the internet and this date is also verified on the top of the printed web page, which had been circled for Applicant.

37. In response to pg 33, the 102 rejection is maintained in that it is not the exact terms that need to be taught but rather what is being accomplished, besides that no other argument is made to traverse the 102 rejection.

38. In response to pg 33, first 4 lines of the last P; Applicant is dead wrong in stating that there is must be some teaching *in the cited references* in combining or modifying reference to arrive at the claimed invention. Rather Examiner may derive motivation from rationale reasoned from common knowledge in the art or established principle.

This could be done so long as scientific /or reasoning is provided in the rejection.

A suggestion, teaching, or motivation to combine the relevant prior art teachings does not have to be found explicitly in the prior art, as the teaching, motivation, or suggestion may be implicit from the prior art as a whole, rather than expressly stated in the references. . . . The test for an implicit showing is what the combined teachings, knowledge of one of ordinary skill in the art, and the nature of the problem to be solved as a whole would have suggested to those of ordinary skill in the art. In re Kotzab, 217 F.3d 1365, 1370 (Fed. Cir. 2000) (internal citations omitted). However, rejections on obviousness grounds cannot be sustained by mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness. See Lee, 277 F.3d at 1343-46; Rouffett, 149 F.3d



Art Unit: 3629

at 1355-59. This requirement is as much rooted in the Administrative Procedure Act, which ensures due process and non-arbitrary decisionmaking, as it is in § 103. See id. at 1344-45.

In this case Examiner laid out reasoning in how one would use the formulas.

39. In response to pg 33, 2<sup>nd</sup> P; the assertion that Examiner combined the reference with Applicant's formulas is not true. Rather Examiner rejected Micronomics in view of Official Notice that one skilled in the art of valuation uses the same formulae and it has been known to do so for quite some time by those skilled in the art. Although the Applicant has not made a proper traversal of the Official Notice, it appears Applicant is trying to dispute. Thus the Examiner has provided after a, quick/instantaneous book search on "google" and found the book "Valuating Intangible Assets", 1998, 518 pages which shows what one of ordinary skill in the art knew and the whole book is now relied upon to support Examiner's assertion that those in the art of patent valuation, in view of what "micronomics" teaches, would know to make the same calculations and generate a report. (see attached and note at time of this Action the book was on order and will be made more available, relevant portions, to Applicant upon request).

40. Further still as noted above Applicant agrees with Examiner in regards to claims 42-47 and others involving patent strength that one of ordinary skill in the art would make the same comparisons and calculations. (see Applicant's remarks bottom of pg 29).

### ***Conclusion***

41. Applicant's amendment necessitated the new ground(s) of rejection presented in this Office action. Accordingly, **THIS ACTION IS MADE FINAL**. See MPEP

Art Unit: 3629

§ 706.07(a). Applicant is reminded of the extension of time policy as set forth in 37 CFR 1.136(a).

A shortened statutory period for reply to this final action is set to expire THREE MONTHS from the mailing date of this action. In the event a first reply is filed within TWO MONTHS of the mailing date of this final action and the advisory action is not mailed until after the end of the THREE-MONTH shortened statutory period, then the shortened statutory period will expire on the date the advisory action is mailed, and any extension fee pursuant to 37 CFR 1.136(a) will be calculated from the mailing date of the advisory action. In no event, however, will the statutory period for reply expire later than SIX MONTHS from the date of this final action.

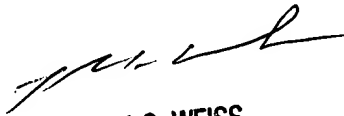
Any inquiry concerning this communication or earlier communications from the examiner should be directed to Matthew L. Brooks whose telephone number is (571) 272-8112. The examiner can normally be reached on Monday - Friday; 8 AM - 5 PM.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, John Weiss can be reached on (571) 272-8112. The fax phone number for the organization where this application or proceeding is assigned is 571-273-8300.

Art Unit: 3629

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see <http://pair-direct.uspto.gov>. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free).

MLB  
5/10/2006



JOHN G. WEISS  
SUPERVISORY PATENT EXAMINER  
TECHNOLOGY CENTER 3600